

2012 Hancock County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Hancock County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Hancock County the average tax bill for all taxpayers increased 7.8%. This large tax bill rise was the result of a large 16.5% increase in the tax levy of all local government units. Hancock County certified net assessed value increased 0.9%. Homestead, other residential, agricultural, and business assessments all increased. A levy increase that exceeded assessment growth caused tax rates to rise in most Hancock County tax districts, which caused a large increase in tax cap credits. Credits as a percent of the levy rose by 8.2% in Hancock County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	7.8%	\$78,035,735	\$2,824,106,816	15.8%
Change		16.5%	0.9%	8.2%
2011	1.3%	\$66,993,140	\$2,799,531,996	7.6%

Homestead Property Taxes

Homestead property taxes increased 4.7% on average in Hancock County in 2012. Tax rates in most Hancock County tax districts increased. The county average tax rate rose by 15.5%. Many more homesteads reached their tax caps, which reduced the average homestead tax bill increase to well below the rate hike. The percentage of Hancock County homesteads at their tax caps rose from 29.7% in 2011 to 50.3% in 2012.

Comparable Homestead Property Tax Changes in Hancock County

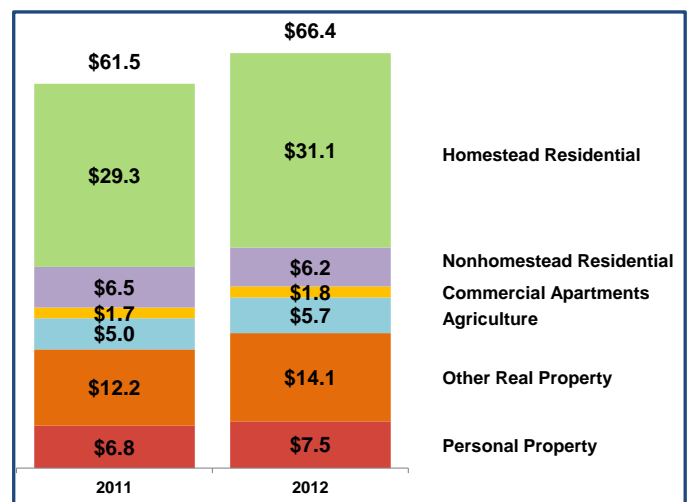
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	15,065	71.1%
No Change	3,229	15.2%
Lower Tax Bill	2,899	13.7%
Average Change in Tax Bill	4.7%	
Detailed Change in Tax Bill		
20% or More	1,470	6.9%
10% to 19%	2,893	13.7%
1% to 9%	10,702	50.5%
0%	3,229	15.2%
-1% to -9%	2,563	12.1%
-10% to -19%	191	0.9%
-20% or More	145	0.7%
Total	21,193	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

Most of Hancock County's 2012 net property taxes were paid by homeowners and business owners (other real and personal). Net tax bills for all taxpayers increased 7.8% in Hancock County in 2012. Net taxes were higher on all property categories except nonhomestead residential (small rentals and second homes). Taxes on agricultural and business property saw larger increases because of the combined effect of higher tax rates and assessed value growth.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in most Hancock County tax districts. The average tax rate rose by 15.5%, because of a large levy increase and a modest increase in net assessed value.

Levies in Hancock County increased by 16.5%. By far the largest levy increase was in Mt. Vernon Community School Corporation, due to an increase in the debt service fund. Greenfield Central Community Schools also saw a large increase in its debt service fund, and the county saw an increase in its debt payment and general funds.

Hancock County's total net assessed value increased 2.0% in 2012. Agricultural net assessments rose 13.8%. Homestead net assessments grew slightly, while other residential and business real/personal assessments increased. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments increased by 0.8%.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$3,335,830,172	\$3,359,563,443	0.7%	\$1,510,520,385	\$1,511,897,598	0.1%
Other Residential	378,766,042	383,569,224	1.3%	376,532,222	381,656,730	1.4%
Ag Business/Land	271,017,400	308,636,934	13.9%	269,630,000	306,815,252	13.8%
Business Real/Personal	965,532,627	1,001,565,099	3.7%	774,087,549	789,837,826	2.0%
Total	\$4,951,146,241	\$5,053,334,700	2.1%	\$2,930,770,156	\$2,990,207,406	2.0%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Hancock County were almost \$12.8 million, or 15.8% of the levy. This was more than the state average percentage of the levy of 9.2%, and much more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Hancock County's tax rates were higher than the state average and the state median. More than half of the total tax cap credits were in the 1% homestead category; most of the rest were in the 2% nonhomestead/farmland category. Higher-valued homes are more likely to qualify for tax cap credits, and the average value of homes in Hancock are well above the state average.

The largest percentage losses were in the towns of Fortville, Cumberland, and McCordsville, where district tax rates approached or exceeded \$4 per \$100 assessed value. The largest dollar losses were in the Mt. Vernon and Greenfield school corporations and the county unit.

Tax Cap Credits by Category

Tax cap credits increased in Hancock County in 2012 by \$7.5 million, or 142.5%. The percentage of the levy lost to credits more than doubled, rising by 8.2%. There were no major changes in state policy to affect tax cap credits in 2012. Credits increased so much in Hancock County mainly because of a large increase in tax rates in several taxing districts.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$2,427,683	\$6,782,212	\$4,354,529	179.4%
2%	2,751,828	4,867,734	2,115,906	76.9%
3%	73,131	1,045,692	972,560	1329.9%
Elderly	16,862	80,979	64,116	380.2%
Total	\$5,269,505	\$12,776,616	\$7,507,111	142.5%
% of Levy	7.6%	15.8%		8.2%

Hancock County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	85,987,664	63,034,382	64,124,574	66,993,140	78,035,735	-26.7%	1.7%	4.5%	16.5%
State Unit	85,719	0	0	0	0	-100.0%			
Hancock County	10,789,802	11,243,313	10,950,639	11,542,471	12,395,003	4.2%	-2.6%	5.4%	7.4%
Blue River Township	27,541	28,944	29,966	30,866	28,201	5.1%	3.5%	3.0%	-8.6%
Brandywine Township	90,534	87,487	85,100	80,512	63,636	-3.4%	-2.7%	-5.4%	-21.0%
Brown Township	25,118	26,383	27,124	27,361	27,230	5.0%	2.8%	0.9%	-0.5%
Buck Creek Township	827,910	1,140,377	1,143,337	1,161,710	1,491,167	37.7%	0.3%	1.6%	28.4%
Center Township	354,274	102,395	105,295	109,421	98,407	-71.1%	2.8%	3.9%	-10.1%
Green Township	61,615	60,970	60,210	38,419	39,263	-1.0%	-1.2%	-36.2%	2.2%
Jackson Township	48,532	46,463	47,281	48,040	48,409	-4.3%	1.8%	1.6%	0.8%
Sugar Creek Township	2,900,446	2,813,564	2,894,735	2,873,483	3,054,768	-3.0%	2.9%	-0.7%	6.3%
Vernon Township	374,553	736,105	654,690	638,229	738,426	96.5%	-11.1%	-2.5%	15.7%
Greenfield Civil City	5,922,467	6,659,775	6,739,650	6,780,229	6,866,753	12.4%	1.2%	0.6%	1.3%
Fortville Civil Town	875,235	979,484	966,394	944,695	1,067,106	11.9%	-1.3%	-2.2%	13.0%
New Palestine Civil Town	428,972	459,049	411,882	429,174	514,899	7.0%	-10.3%	4.2%	20.0%
Shirley Civil Town	183,282	188,190	177,786	189,946	188,388	2.7%	-5.5%	6.8%	-0.8%
Spring Lake Civil Town	23,568	24,027	24,893	24,776	25,579	1.9%	3.6%	-0.5%	3.2%
Wilkinson Civil Town	53,661	80,123	79,166	83,340	85,640	49.3%	-1.2%	5.3%	2.8%
Cumberland Civil Town	1,234,265	1,098,224	1,199,598	1,233,994	1,248,492	-11.0%	9.2%	2.9%	1.2%
Mccordsville Civil Town	1,024,707	1,070,881	1,107,969	1,114,543	1,055,053	4.5%	3.5%	0.6%	-5.3%
Southern Hancock County Comm School Corp	14,958,806	8,287,911	8,638,440	8,940,514	9,525,766	-44.6%	4.2%	3.5%	6.5%
Greenfield Central Community School Corp	22,382,690	14,432,015	14,180,657	14,597,258	16,502,053	-35.5%	-1.7%	2.9%	13.0%
Mt. Vernon Community School Corp	18,560,528	10,760,931	12,107,993	13,470,732	20,384,308	-42.0%	12.5%	11.3%	51.3%
Eastern Hancock Cnty Community School Corp	4,753,439	2,707,771	2,491,769	2,633,427	2,587,188	-43.0%	-8.0%	5.7%	-1.8%
Fortville Public Library	0	0	0	0	0				
Hancock County Public Library	0	0	0	0	0				
Greenfield Redevelopment Commission	0	0	0	0	0				

Hancock County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

			Credit Rates						Net Tax Rate, Homesteads
Dist #	Taxing District	Tax Rate	LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
30001	Blue River Township	1.4876	--	--	--	--	8.9576%	--	1.3543
30002	Brandywine Township	1.9548	--	--	--	--	8.9576%	--	1.7797
30003	Brown Township	1.4845	--	--	--	--	8.9576%	--	1.3515
30004	Shirley Town	3.2122	--	--	--	--	8.9576%	--	2.9245
30005	Wilkinson Town	2.5296	--	--	--	--	8.9576%	--	2.3030
30006	Buck Creek Township	3.3738	--	--	--	--	8.9576%	--	3.0716
30007	Cumberland Town-Buck Creek Twp	4.2349	--	--	--	--	8.9576%	--	3.8556
30008	Center Township	2.1901	--	--	--	--	8.9576%	--	1.9939
30009	Greenfield City	2.7998	--	--	--	--	8.9576%	--	2.5490
30010	Green Township	1.9914	--	--	--	--	8.9576%	--	1.8130
30011	Jackson Township	1.5078	--	--	--	--	8.9576%	--	1.3727
30012	Sugar Creek Township	2.4698	--	--	--	--	8.9576%	--	2.2486
30013	New Palestine Town	3.1458	--	--	--	--	8.9576%	--	2.8640
30014	Spring Lake Town	2.4600	--	--	--	--	8.9576%	--	2.2396
30015	Cumberland Town-Sugar Creek Twp	3.2050	--	--	--	--	8.9576%	--	2.9179
30016	Vernon Township	3.1063	--	--	--	--	8.9576%	--	2.8281
30017	Fortville Town	4.1973	--	--	--	--	8.9576%	--	3.8213
30018	Town Of Mc Cordsville	3.6176	--	--	--	--	8.9576%	--	3.2935
30019	Greenfield-Brandywine	2.5168	--	--	--	--	8.9576%	--	2.2914

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Hancock County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	6,782,180	4,855,950	994,666	80,979	12,713,775	78,035,735	16.3%
<i>TIF Total</i>	32	11,784	51,025	0	62,841	2,918,708	2.2%
<i>County Total</i>	6,782,212	4,867,734	1,045,692	80,979	12,776,616	80,954,443	15.8%
Hancock County	889,553	678,905	118,923	12,123	1,699,504	12,395,003	13.7%
Blue River Township	0	0	0	19	19	28,201	0.1%
Brandywine Township	179	4	0	17	200	63,636	0.3%
Brown Township	23	214	17	16	269	27,230	1.0%
Buck Creek Township	172,090	108,460	44,788	2,485	327,822	1,491,167	22.0%
Center Township	2,726	5,482	0	88	8,296	98,407	8.4%
Green Township	69	0	0	25	94	39,263	0.2%
Jackson Township	0	0	0	0	0	48,409	0.0%
Sugar Creek Township	220,534	128,398	3,969	2,296	355,197	3,054,768	11.6%
Vernon Township	120,602	79,990	27,952	1,208	229,751	738,426	31.1%
Greenfield Civil City	215,481	438,440	0	5,946	659,867	6,866,753	9.6%
Fortville Civil Town	122,361	176,531	84,706	2,033	385,632	1,067,106	36.1%
New Palestine Civil Town	81,634	29,833	4,552	492	116,511	514,899	22.6%
Shirley Civil Town	3,269	25,956	2,709	434	32,367	188,388	17.2%
Spring Lake Civil Town	86	1,527	0	56	1,668	25,579	6.5%
Wilkinson Civil Town	221	5,128	0	38	5,386	85,640	6.3%
Cumberland Civil Town	402,883	68,000	6,757	244	477,884	1,248,492	38.3%
Mccordsville Civil Town	223,301	80,885	37,461	477	342,124	1,055,053	32.4%
Southern Hancock County Comm School	617,538	343,114	13,171	6,530	980,352	9,525,766	10.3%
Greenfield Central Community Sch Corp	422,111	843,882	0	14,413	1,280,406	16,502,053	7.8%
Mt. Vernon Community School Corp	3,285,421	1,821,337	648,096	30,840	5,785,693	20,384,308	28.4%
Eastern Hancock Cnty Comm Sch Corp	2,099	19,866	1,566	1,198	24,729	2,587,188	1.0%
Fortville Public Library	0	0	0	0	0	0	
Hancock County Public Library	0	0	0	0	0	0	
Greenfield Redevelopment Commission	0	0	0	0	0	0	
Three Rivers Solid Waste Mgt Dist	0	0	0	0	0	0	
Hancock County Solid Waste District	0	0	0	0	0	0	
Greenfield Redevelopment Commission	0	0	0	0	0	0	
TIF - Mt Comfort Corridor Econ District	32	7,919	2,338	0	10,290	634,977	1.6%
TIF - Greenfield North Economic District	0	3,041	0	0	3,041	2,111,435	0.1%
TIF - Fortville Economic Dvlpmt Area	0	823	48,668	0	49,491	172,183	28.7%
TIF - McCordsville Economic Dvlpmt Area	0	1	19	0	20	112	17.7%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.